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## HISTORICAL INVESTIGATION AND THE COMMERCIAL HISTORY OF THE NAPOLEONIC ERA

THE military, diplomatic, and political history of the Napoleonic era has exercised an apparently irresistible charm over the historian for an entire century now. Literally thousands of volumes—the latest bibliography on Napoleonic history speaks of 200,000 titles<sup>1</sup>—have been written on some phase or other of the history of this period. Yet among all this mass of historical writing, it is difficult to find any books of consequence that approach the subject from the economic standpoint, and comparatively few are found that deal with commercial history save in an incidental way. Indeed not more than the merest beginnings in this important field of history have been made. I say important, because rarely, if ever, have the interests and vicissitudes of commerce been so intimately and vitally related to the history of a period. Throughout the revolutionary and Napoleonic era, commercial interests were not only dynamic factors in shaping history, but dynamic factors of much more than usual power and influence.

It was commerce and the interests arising in connection with trade, industries, and colonies that underlay the wars, and again and again determined the policy of the belligerents. Schlegel was largely right when he wrote: “Cette guerre—la postérité le croira-t-elle?—s’annonca au monde comme une croisade contre le sucre et le café, contre les percales et les mousselines”.<sup>2</sup> As early as 1794, Benjamin Constant declared in his pamphlet *On the Strength of the Present Government in France* that the intervention of England in behalf of the exiled monarchy was only a pretext to cover her efforts to keep down a growing rival, and was undertaken only because she (England) was determined to maintain her political and industrial supremacy. In the great debates in the Convention, we have constant references to the proud nation of traders, to the new Carthaginians, etc., whose commercial tyranny and greed would some day compel the nations of the Continent to unite for her undoing. Pitt understood the real character of the war when he declared that the new France “must be separated from the commercial world . . . be blockaded by land and sea”, or, as the Danish

<sup>1</sup> Writing four years ago Kircheisen assured his readers that he had over 70,000 independent titles, and, if translations and editions were considered, over 200,000. Kircheisen, *Bibliographie du Temps de Napoléon* (Paris, 1908), p. viii.

<sup>2</sup> Schlegel, *Essais* (Bonn, 1847).

minister put it, be "strangled", "starved" into submission.<sup>3</sup> And in pursuance of this policy he brought about a whole series of commercial treaties against France. Thus in the third article of the convention with Russia in 1793, the two powers engage to "shut all their ports against French ships, not to permit the exportation, in any case, from their said ports for France, of any military or naval stores, or corn, grain, salt, meat or other provisions; and to take all other measures in their power for injuring the commerce of France, and for bringing her by such means, to just conditions of peace".<sup>4</sup> Against this threatened economic isolation the men of the Convention and of the Directory inveighed with much bitterness. In an impassioned speech Barère demanded a national navigation act against the arrogance of the nation of shopkeepers, while an article in the official journal declared, "Our policy must be directed solely to the ruin of the commerce of England . . . by shutting her out of the Continent."<sup>5</sup> And so effective were the new measures that Mallet du Pan could write with much truth, "Voilà les ports de l'Océan et de la Méditerranée fermés au commerce anglais; on est obligé de bâtir des magasins à Londres pour des montagnes des marchandises invendues."<sup>6</sup>

By no one was the real economic basis of this struggle more clearly recognized and understood than by Bonaparte himself. "J'aurais changé la route du commerce et la face de l'industrie", he said at St. Helena. Under his direction, the intense protectionist policy of the Terror and of the Directory, with its idea of defense, became one of rigid exclusion and offense.<sup>7</sup> He rejected the demands of the English for commercial concessions during the negotiations for the peace of Amiens, and the loud complaints of the English trade element that followed the publication of the terms of that peace are excellent testimony to his penetrating insight into the real nature of the conflict. Napoleon saw clearly that by intensifying his prohibitive tariff he could exclude British manufactures and colonial products from France and her allied states, while by special regulations he could force trade into French bottoms. This he actually did. The commercial warfare was "not even nominally discontinued" during the year of peace, and what is

<sup>3</sup> *Annual Register*, 1793, "State Papers", p. 181.

<sup>4</sup> *Parliamentary History*, XXX. 1033, *et passim*. It should also be noted that the same policy underlay that part of Jay's ill-fated treaty which the Senate rejected.

<sup>5</sup> *Redacteur*, October 29, 1796.

<sup>6</sup> Mallet du Pan, *Mémoires et Correspondance* (Paris, 1851), II. 276.

<sup>7</sup> Bonaparte's return from Italy is marked by the wholesale confiscation of British goods. The law of 1796 was rigorously enforced and the First Consul's system of "thorough" inaugurated.

more, the fight threatened to be waged with much greater effectiveness for France under the new conditions.<sup>8</sup> Sooner or later the rupture of the peace of Amiens was inevitable, even if Switzerland and Malta had not hastened it. From this time on the driving force of all Napoleon's efforts was to destroy British trade and thus indirectly ruin her industry. Unable to attack her directly, he bent all his energies to accomplishing the destruction of the hated rival by intercepting her trade routes and shutting her out from the markets of the Continent. For he believed implicitly in the idea, reformulated with such telling effect at this time by Montgaillard, that "to destroy British commerce is to strike England to the heart".<sup>9</sup> In carrying this idea into effect, he became involved, as is well known, first, in the extension of his system of exclusion over the conquered lands, and secondly, in the conquest of further territory in order to bring it too under the system.<sup>10</sup> Political domination, with Napoleon, in accordance with a widely accepted theory of the period, meant absolute control of trade, and it is this ulterior purpose that again and again determined his political and military policy.<sup>11</sup> His dealings with Tuscany, Naples, Prussia, Holland, and Russia all find an important part of their explanation in this condition.

But in addition to the manifest and intimate relationship of the history of commerce to the general history of the period, there are other and even more important reasons that call for a careful study of the commercial history of these years. As has been intimated above, these lie mainly in the fact that so many of the great movements of the nineteenth century have their origins in the economic conditions of this epoch. Here we have the explanation of the lead gained by England in industry and commerce over her Continental rivals. She was fortunate in entering upon her industrial revolution early, and still more fortunate in being able to afford the new forces an opportunity for development, free from those violent interruptions through war and invasion which stifled the embryonic industrial revolution on the Continent. For as Grenville well said in defending England's policy of subsidizing her allies, it is "more politic to pay foreign troops, than to take our own youth from the plough and the loom".<sup>12</sup> This together with the effective applica-

<sup>8</sup> Upon the signing of the peace, British merchants sent their ships to France only to be refused admission. During the year the government developed a new and stringent tariff law which passed on April 28, 1803. Two weeks later England resumed hostilities.

<sup>9</sup> Montgaillard, *Mémoires Diplomatiques, 1805-1819* (Paris, 1896), p. 72.

<sup>10</sup> *Moniteur*, January 30, 1803.

<sup>11</sup> Cf. Fichte, *Der Geschlossene Handelsstaat* (Vienna, 1801), p. 109.

<sup>12</sup> *Parliamentary History*, XXXI. 452.

tion of inventions and machinery increased her power of production over that of her rivals to such an extent that for more than half a century after peace had been restored she was able to undersell them in their own markets.

Similarly we find in the conditions imposed by this commercial struggle the beginnings of the industrial revolution in many sections of the Continent. Sweeping changes and modifications in the manufactures and trade of particular regions occurred. The progress of certain areas was for the time being entirely arrested, while in others it was fostered and grew by leaps and bounds. Side by side with new industrial areas, new routes of trade and novel methods of exchange were created. Even in the United States the vicissitudes of commerce during the Napoleonic era had a widely extended influence quite apart from the struggle for the establishment of the rights of neutrals and the freedom of the sea. The Embargo, Non-Intercourse, and other acts of the restrictive period have a vital relationship to the beginnings of American industry that well repay careful study.

More specific evidence of the significance and the many-sidedness of the subject will appear below in a discussion of the rich, and practically unexploited, archival material, and in the consideration of those phases of the economic history of the period which seem especially in need of serious study. Before entering upon a discussion of these two problems, however, it will be of interest to examine briefly the work already done.<sup>13</sup>

Of the studies in English those by Professor J. Holland Rose<sup>14</sup> and Admiral Mahan<sup>15</sup> stand out conspicuously above the rest. By Mr. Rose, we have the *Life of Napoleon*, *Napoleonic Studies*, and a number of articles, two of which are expressly on the economic history of the period. One is the chapter on the Continental System in the *Cambridge Modern History*,<sup>16</sup> another an article on "Napoleon and English Commerce", which appeared in 1893.<sup>17</sup> To Mr. Rose we owe some very happy suggestions as well as much original work. He points out clearly the economic factors behind the policies of France and England, and the striking continuity and consistency

<sup>13</sup> On the historical work in this field since 1900 there appeared last year an able article by M. Marcel Dunan, entitled, "Le Système Continental: Bulletin d'Histoire Économique, 1900-1911", *Revue des Études Napoléoniennes*, III. 115-145 (January, 1913).

<sup>14</sup> Rose, *Life of Napoleon I.* (London and New York, fourth ed., 1910); *Napoleonic Studies* (London, second ed., 1906).

<sup>15</sup> Mahan, *The Influence of Sea Power upon the French Revolution and Empire, 1793-1812* (2 vols., London and Boston, 1893).

<sup>16</sup> *Cambridge Modern History*, IX. 361-389.

<sup>17</sup> *English Historical Review*, VIII. 704-725 (1893).

from the revolutionary period, through the coast system, to the decrees and orders of the later period. Mr. Rose makes use of the archives, but he does not carry his use of them far enough. Much of his work is based upon a few selected sources instead of upon a patient use of the extensive collections so easily within his reach. The interest of Admiral Mahan is pre-eminently that of the naval officer, but he possesses an unusually fine sense for historic values, and this, coupled with a thorough mastery of the sources in print, is the basis for a work, which, from its interpretative value, is of the very highest order. It is moreover much more a commercial history of the period than would at first thought appear. Commerce, its promotion and destruction, becomes the principal concern of the sea power after Trafalgar and it is therefore inevitable that Mahan's volumes should contain much valuable material on the subject even though it is secondary to the author's main thesis. The article by Professor Sloane on "The Continental System of Napoleon" is an excellent survey based upon Mahan, Lumbroso, Roche, and others, but not in any sense an original contribution.<sup>18</sup>

Of the French historians, Sorel devoted the first part of his seventh volume, which he calls "Le Blocus Continental", to this phase of the subject, but the author's interest is too largely political and diplomatic to admit of an adequate treatment of the economic aspects of the situation.<sup>19</sup> The same holds true to an even greater degree of Coquelle's biased *Napoléon et l'Angleterre, 1803-1813*.<sup>20</sup> Bertin's doctoral dissertation, entitled *Le Blocus Continental*, emphasizes the legal aspects of the subject.<sup>21</sup> Of the scholarly volumes by Lanzac de Laborie on Paris under Napoleon mention is made below. At least two deal with economic questions. Lumbroso's *Napoleone e l'Inghilterra: Saggio sulla Origine del Blocco Continentale e sulle sue Conseguenze Economiche*<sup>22</sup> lacks method and thoughtful presentation. While avowedly devoting itself to the economic history of the period, it is suggestive rather than adequate, and contributes little that is new. Much more incisive and up-to-date is the recent study by Audrey Cunningham, *British Credit in the last Napoleonic War*.<sup>23</sup> Considering the fact that the work is based entirely on printed material, it presents a remarkably clear exposé of forces and motives, but it lacks finality because of its narrow range of

<sup>18</sup> Sloane, "The Continental System of Napoleon", *Political Science Quarterly*, XIII. 213-231 (1898).

<sup>19</sup> Sorel, *L'Europe et la Révolution Française, 1789-1815* (8 vols., Paris, 1885-1904).

<sup>20</sup> Paris, 1904.

<sup>21</sup> Bertin, *Le Blocus Continental* (Paris, 1902).

<sup>22</sup> Rome, 1897.

<sup>23</sup> Cambridge, 1910.

authorities. Of Drottboom's laudable effort to show the influence of geography upon Napoleonic history, in his little pamphlet of one hundred pages, only a mention need be made.<sup>24</sup> A work of an earlier period is *Die Kontinentalsperre in ihrer Oekonomisch-Politischen Bedeutung: ein Beitrag zur Handelsgeschichte*, by Kiesselbach, published at Stuttgart in 1850. It is a little volume of about 160 pages and was for a long time the only good study of the Continental System in its economic aspects. The author shows a remarkable appreciation of Napoleon's economic policies, and furnishes the suggestions for most of the later works on the subject. In view of its date, it is a work of such superior merit that the monograph by Rocke, *Die Kontinentalsperre und ihre Einwirkungen auf die Französische Industrie*,<sup>25</sup> scarcely merits a mention. *England's Vorherrschaft aus der Zeit der Kontinentalsperre*, by Peez and Dehn, which appeared recently, is likewise unscholarly but less reprehensible because it is a "Tendenzschrift" and for the most part the work of journalists who had thought seriously on economic history, and who, without any appreciation of the best sources, set out with naïve frankness to tell "what others have failed to say". The work has a distinct value, but the serious historical student will find in Paul Darmstädter's "Studien zur Napoleonischen Wirtschaftspolitik", the first real advance over Kiesselbach, and much the best work that has been done on the subject.<sup>26</sup> The reason for this lies largely in the fact that Darmstädter went directly to the archival sources for his material. As a result, his work, so far as it goes, has a degree of finality that is entirely absent from the others thus far mentioned. Indeed only in a few of the best "regional studies", which are discussed on page 271 below, is this quality to be found.

Turning from the survey of the secondary histories in this field to a consideration of the historical sources upon which such works, if they are to stand, must be based, it is evident that for English commercial history for these years, the sources are to be found mainly in the great collections of historical material, especially in the Board of Trade Papers and the Admiralty Records, at the Public Record Office in London. The records of the proceedings of the Committee on Trade, together with the great mass of its correspondence and reports, are all accessible. Among the latter the

<sup>24</sup> Drottboom, *Wirtschaftsgeographische Betrachtungen über die Wirkungen der Napoleonischen Kontinentalsperre auf Industrie und Handel* (Bonn, 1906).

<sup>25</sup> Naumburg, 1894.

<sup>26</sup> Darmstädter, "Studien zur Napoleonischen Wirtschaftspolitik", *Vierteljahrschrift für Sozial- u. Wirtschaftsgeschichte*, II. 559-615, III. 112-141 (Berlin, 1904-1905).

"In-Letters" are of particular value, for they reveal with unusual vividness the conditions and movements of trade and commerce in every part of the world. As an illustration of the material in the Admiralty Records, the volumes of Miscellanea for 1802-1815 may be cited.<sup>27</sup> They are crammed full of miscellaneous information on convoys, passes, licenses, etc. The sources at the British Museum are naturally more fragmentary, though often of exceptional value, as the presence of the volumes containing the Admiralty letters to Lord Nelson shows.<sup>28</sup> They are scattered in the different manuscript collections, no effort to bring them together or to make a guide to the material having been made. Then there are the Privy Council Registers and other records, among which a large pile of uncatalogued bundles in the basement of Whitehall should not be overlooked, for it is precisely among these, even though they are worthless in the main, that the scanty records of the council's proceedings can sometimes be supplemented. Indeed, when one comes upon rough drafts of minutes or Orders in Council much worked over and corrected in a familiar hand, others with marginal comments of the opinions of members, as for example, "Bathurst present", "Bathurst thinks", etc., the desire for the opportunity to follow up these suggestive leads as to the men who shaped British policy becomes very strong. The Bathurst Papers must contain a wealth of information on the origin of the Orders in Council as well as on the administrative policy associated with them at different times.<sup>29</sup>

And this suggests the possibility of a more thorough use of the published papers of men like Canning, Castlereagh, Pitt, and others; of the Parliamentary papers; of the correspondence of British agents and diplomats; and especially of the published decisions of the High Court of Admiralty, which have been almost entirely neglected.<sup>30</sup> That the books and registers of the customs must be a source of peculiar value is evident. Unfortunately, however, those relating to this period suffered particularly in the fire of

<sup>27</sup> Admiralty, Secretary, Miscellanea; also Board Room Journals (1802-1815).

<sup>28</sup> Add. MSS. 34,935-34,936, British Museum.

<sup>29</sup> For a statement on the Bathurst Papers and transcripts accessible in America, see *Report of Canadian Archives* for 1910, pp. 84-90.

<sup>30</sup> The decisions in particular cases by the admiralty judges, notably those of Sir William Scott, are often accompanied by remarkably clear and forceful reviews of the British maritime law and practice of the time, and for this reason the proceedings constitute a unique source for the study of the commercial history of the period. The published reports of particular importance here are *Reports of Cases argued and determined in the High Court of Admiralty, commencing with the Judgments of the Right Hon. Sir William Scott, Michaelmas Term, 1798* (6 vols., London, 1799-1808).



1814 which destroyed so much that would be of great value to the student of commercial history.<sup>31</sup>

Into the French sources it is impossible here to go in detail. In general, however, I am satisfied that the material is not only richer, but very much more definite and positive in character than that found in England. Not only has much of the material from the departmental archives of the period relating to the subject found its way to Paris, but under Napoleon's highly centralized government the story of the entire system is focused to a remarkable degree in the records of a number of governmental bodies, the minutes of whose proceedings are accessible. To obtain an idea of the value and bulk of this, one need only consult the very excellent *Inventaires* of the Archives Nationales by M. Schmidt.<sup>32</sup>

Yet it is a fact that of the scores upon scores of volumes and cartons on the commercial history of this period by far the largest part has not been utilized.<sup>33</sup> To pass in review here the mass of material at the Archives Nationales, the ministries of marine, colonies, and foreign affairs, would be futile; a few suggestive illustrations will suffice to indicate the character and the richness of the material. Napoleon was insatiable in his demands for information; scores of orders calling for special investigations are scattered through the records. Thus on July 30, 1807, he orders:

The Ministers of the Interior and of Finance will each give me their opinion upon the advantages and disadvantages of a general measure inhibiting all vessels laden with tobacco, sugar, coffee, cotton and other things of this sort from entering France under a foreign flag save on the condition of exporting manufactures of France or the products of French soil equal in value to the cargo imported. . . . They will answer the following questions.<sup>34</sup>

As a result of orders of this kind, we have frequent and very full reports by the different ministers respecting the conditions in their

<sup>31</sup> About 600 (?) volumes were destroyed according to the testimony of Mr. Irving before the Committee on Trade soon after the fire. Among the lots specified are such items as the following: "American Ledgers containing the accounts of that part of the trade of the British Dominions which is not carried on by direct intercourse with Great Britain . . . from their origin in 1787 to 1812. . . . In all 26 volumes. The whole are destroyed." B. T., 5/23, 158. P. R. O.

<sup>32</sup> For a brief summary of these consult *Cambridge Modern History*, IX, 787-788.

<sup>33</sup> The fullest use of this material of which I am aware has been made by Dr. Frank E. Melvin in his investigation of the French and British license system. A portion of the results of this research he has embodied in his study entitled "Napoleon's Navigation Policy with Special Reference to the Licence System" (University of Pennsylvania dissertation, 1913). I am indebted to him for a number of references to characteristic material on this subject cited below.

<sup>34</sup> *Correspondance de Napoléon I.*, XV, 455.

respective jurisdictions: by Cretet and Montalivet, Napoleon's able ministers of the interior, by Decrès, the minister of marine, by Gaudin and Mollien, of finance and the treasury, by Collin, director-general of customs, by Champagny, minister of foreign affairs, by Fouché, minister of police, and by many others.

In general the reports in reply to these were based upon preliminary and individual reports by the staff or bureau within the particular department of the government concerned. Indeed Napoleon's ministers were as exacting as the master himself. In most of the bureaux reports were made with great regularity,<sup>35</sup> and to these were, of course, added the special reports made necessary by Napoleon's imperative demands for information on particular occasions. Thus, as a result of a special order, we have a remarkable report in 1811 by Rovigo embodying investigations by the government's officials in every department of the empire on the effect of the Continental System and the public attitude toward it.<sup>36</sup> For relations with foreign powers the reports by Champagny afford a remarkable review of foreign policy at different times. In the early part of 1811, for example, we have one of unusual value for the diplomatic or international phases of the Continental System. It is a summary of the correspondence with the powers concerning their adoption of the Trianon Tariff, and takes up the emperor's policy in its relation to each of the European states.<sup>37</sup>

Indeed the reports of the emperor's ambassadors, agents, and special representatives are of much more than ordinary importance because the diplomacy of the period was still without those rapid means of communication which make of national representatives abroad the marionettes of the ministry at home. Their instructions therefore much more nearly embodied the policies of the government they represented, and their correspondence in turn naturally aimed at as full an account as possible of the conditions with which the representative had to deal. Then there are the reports on trade in different countries by special agents. They were usually made by experts chosen from the membership of this or that chamber of commerce and may well serve as a point of departure for a study of the commercial history of particular regions and trade centres,

<sup>35</sup> Cf. for example, an order by Montalivet, almost immediately on his being made minister of the interior, to the prefects, calling for periodical reports on the working of the license system. Archives Nationales, series F12. 2033.

<sup>36</sup> Archives Nationales, series AF IV. 1062. These reports by Rovigo in the early part of January of 1811 cover many pages and form a unique source for the effect of the Continental System on France.

<sup>37</sup> Archives Nationales, series AF IV. 1318.

like Frankfort, Leipzig, the Baltic, Switzerland, etc.<sup>38</sup> They pave the way for the use of material in the local archives, some of which, like the official reports by the Saxon Commission of Commerce, Industry, etc., on the great Leipzig Fairs, are of much more than local importance.<sup>39</sup> In the same way, reports from the emperor's agents and from representative banking and commercial houses on the policy and practice of England furnish an interesting light from an altogether novel angle upon that side of the history of the period.<sup>40</sup>

More important and of inestimable value for the later years are the Procès Verbaux of the Conseil du Commerce created by Napoleon in 1810 for the particular purpose of dealing with this phase of imperial interests.<sup>41</sup> Unlike the English Privy Council and more like the Committee on Trade, this body kept a very careful record of its proceedings, and the official minutes of the weekly meetings constitute the most important source in existence for the economic history of these years of the Napoleonic era.<sup>42</sup> It is impossible to give an adequate idea of the variety and importance of subjects discussed and acted upon, from the advisability of allowing permits for the export of grain, wine, brandies, etc., in exchange for British goods, to the latest report on trade from Hamburg or the policy to be adopted toward America. Nor is this all; nowhere is the man Napoleon brought so near to us. Here we find him in scores of short, precise orders and instructions, in criticisms and comments dictated to his secretaries or scrawled over his own signature—usually the familiar and vigorous initial “N” in the margin. It is precisely in records of this sort, rather than in the diplomatic correspondence, that we find the real motives and purposes of Napoleon, and I am convinced that a thorough study of these will force us to modify considerably the accepted view of the emperor's dealings with America, based upon the conclusions of Henry Adams

<sup>38</sup> By way of illustration see the “Compte Rendu de la Mission du Commissaire aux foires de Frankfort et Leipsick”, laid before the emperor in the Conseil du Commerce on November 19, 1810. Archives Nationales, series AF IV. 1242, and AF IV. 1061, where the report is also to be found. The person charged with the mission was M. Mottes, secretary of the Chamber of Commerce at Lyons. Other examples are “Compte rendu de la Mission à Hamburg”, etc.

<sup>39</sup> Kgl. Sächs. H.S.A., Loc. 2235, etc. “Acta der Landes- Oekonomie- Manufactur- und Commercién-Deputation, Mess-Relationes”.

<sup>40</sup> As an example of this kind of material the letters of the firm of Van Aken et fils, Ghent, may be cited. Archives Nationales, series F12. 2164.

<sup>41</sup> Cf. instructions in relation to the creation of the Conseil du Commerce by Napoleon. AF IV. 1241.

<sup>42</sup> The proceedings are found *ibid.*, 1241 ff. Besides the Procès Verbaux, there are the Annexes, consisting of reports, correspondence, etc., upon the questions taken up by the Conseil. These are often very numerous, sometimes over a hundred for a single session.

and Armstrong. The letters, reports, etc., upon which ministers and emperor made their decisions, the abrupt, trenchant orders dictated by the latter, give us, as it were, the naked facts, unadorned and unobscured by the dress of diplomatic phraseology in which Talleyrand or Champagny arrayed them.<sup>43</sup>

But the American student is fortunate in having primary sources of his own nearer at home for preliminary work at least. Indeed it is surprising how largely the story of the commercial history of the period is to be found in the American State Papers. I refer of course to the manuscripts of the State Department at Washington, for as is well known, only a small portion of the correspondence even of the regular envoys is in print.<sup>44</sup> Of the Consular Letters, the importance of which Professor Jameson pointed out some years ago, almost none have been printed, and yet it is precisely in these that the commercial history of the period is most directly reflected.<sup>45</sup> The American consular agents were often very well informed on European affairs, but even when they were blissfully unconscious of the real causes behind the sudden shifting of the currents of trade, the very naïveté of their comments is often the best proof of the reliability of their reports on trade conditions.

Mr. Appleton, writing from Leghorn in February of 1806, when the exclusion of British commerce from certain coast areas was driving trade in to the few ports still open, says:

You will perceive Sir, by the former letter how considerably our commerce has increased with Leghorn, when compared with any preceding year, but your astonishment will rise still higher, when you are informed that on my arrival here in 1798 there had been until then only 21 American vessels from the period of independence of the United States.<sup>46</sup>

In a letter some months later accompanying a list of American vessels that had cleared from Leghorn during the preceding six months, he says, "You will observe Sir, that in this space of time, the commerce with the United States has something more than doubled that of any former period." Notwithstanding impending

<sup>43</sup> In Archives Nationales, series AF IV. 1061, there is for example a suggestive *annexe* entitled: "Rapport et Projet de décret tendant à révoquer les Lois du Blocus vis à vis des Américains", etc., and in F12. 612, "Observations sur la Situation actuelle de nos Relations Commerciales avec les Américains". October 30, 1809.

<sup>44</sup> McLaughlin, *Report on the Diplomatic Archives of the Department of State* (Washington, 1904), pp. 10-19. Of the numerous communications by John Quincy Adams from St. Petersburg during the critical years 1809-1813 only three are printed in the *American State Papers, Foreign Relations*.

<sup>45</sup> AMERICAN HISTORICAL REVIEW, XVI. 64-66 (1910).

<sup>46</sup> Letter of February 27, 1806. Consular Letters, Leghorn, 1795-1806, State Department.

political changes and the "prohibition of the entrance of all merchandise, the growth or manufacture of Great Britain, nevertheless the vessels of neutrals are suffered by the British cruisers to enter freely the port".<sup>47</sup> "The impending political changes" here alluded to descended quickly; Leghorn was closed and we hear nothing further from the consul.

But at the same time with the silencing of Mr. Appleton, we have Mr. Riffin, consul at Trieste, reporting joyfully a great increase in the shipping at his port. He writes:

This country continues to maintain its neutrality which has hitherto been respected by the belligerent powers, the order for the exclusion of English and Russian vessels from Austrian ports remains in force, but these governments do not appear to resent it, and although the ports in the Adriatic gulf not subject to Austria are strictly blockaded by the squadrons of those powers, yet the trade of this port communicating with places not interdicted has never been molested, and our ships in particular have been treated respectfully by all parties.<sup>48</sup>

Six months later, however, he tells a different story, for the British admirals had received orders to stop the coastwise trade by neutrals.

This Port and its dependencies continuing shut to British and Russian ships, the commerce of it has been much interrupted the last six months in consequence of the British Edict of the 7th of January, which subjects neutral vessels to capture bound from one port to another, both which ports British ships are prevented trading at; the whole commerce between this port, Spain, France and its dependencies is consequently interdicted, together with the whole trade of Turkey, which as well as being prohibited by the British Edict, the Russian Admiral commanding in the Archipelago has declared the whole Turkish dominions in a state of blockade.<sup>49</sup>

The significance of this to American commerce is, of course, evident at once when it is remembered that nearly all American vessels indulged very largely in this kind of trade in order to dispose of and secure cargoes to advantage.<sup>50</sup>

In a few instances I have found discrepancies between the accepted views of even the most recent historians and these consular letters, that point to the necessity of a revision of our ideas on the subject. A case in point relates to the French license trade. Mr. Lee, writing from Bordeaux in June, 1809, sends home a copy of a

<sup>47</sup> Letter of July 14, 1806. *Ibid.*

<sup>48</sup> Letter of January 1, 1807. Consular Letters, Trieste, 1800-1832, State Department. Evidence of this kind is of particular value when taken in connection with the long and troubled negotiations between Napoleon and Austria concerning the closing of the Adriatic ports. Cf. *Correspondance de Napoléon I.*, vols. 11-15, and the *Moniteur* for 1805-1807.

<sup>49</sup> Letter of June 30, 1807. *Ibid.*

<sup>50</sup> Cf. voyage of the *Helvétius*, Stephen Girard Papers.

license to export certain French products, notably grain, executed at the Tuileries on the first of April, 1809, and signed by Napoleon, Maret, and Cretet. Along with this sample or copy of Napoleon's first licenses are some suggestive comments by Mr. Lee on the conditions under which the licenses were granted.<sup>51</sup> But it is generally held that Napoleon did not inaugurate his license trade so early.<sup>52</sup> Indeed Mr. Rose bases one of his brilliant discussions of Napoleon's reasons for violating his Continental System by the inauguration of a license system upon conditions prevalent in 1810, apparently overlooking the facts which Mr. Lee so clearly brings out that the policy and the practice are of earlier date. On the operation of this system, as finally established, Mr. Lee writes, three years later, "Most of the vessels expedited to England have returned to the port loaded with West India produce. From forty to sixty pounds sterling *per* ton freight has been given by the English merchant to get his goods into France."<sup>53</sup>

On the subject of the abuse of the American flag and the temptations of the consuls, he writes:

I have already mentioned to you the delicate situation I am frequently placed in by refusing to grant consular certificates to vessels purchased here by Americans on French account. The merchants of the city really believe that they render a great service to our commerce when they find means of putting their ships under the flag of the United States. They even tell me that it is my duty, and the wish of my government that I assist them in this particular, and when they find persuasions will not answer they generally finish by offering me from one thousand to five thousand francs according to the magnitude of the objection.<sup>54</sup>

In 1805 he reported:

Upon a moderate calculation there are out of this and neighboring ports of France and Spain one hundred and twenty, perhaps one hundred and fifty, sail of vessels under American colours of which two-thirds are owned by foreigners. Some of the consuls at this port get two and a half and five per cent for neutralizing (as it is called) French ships, whether this goes into their own pockets or is accounted for with their respective governments I cannot say.<sup>55</sup>

Four years later he wrote, "The English . . . send shoals of

<sup>51</sup> Letter of June 11, 1809. Consular Letters, Bordeaux, 1804-1809, State Department.

<sup>52</sup> Rose, *Life of Napoleon*, II. 203-206; *Cambridge Modern History*, IX. 372, 375; cf. also Cunningham, *British Credit in the last Napoleonic War*, p. 60.

<sup>53</sup> Letter of October 2, 1812. Consular Letters, Bordeaux, 1810-1815, State Department. This should be compared with reports to the Conseil du Commerce found in series AF IV. 1241, 1242, and 1243.

<sup>54</sup> Letter of November 29, 1804. Consular Letters, Bordeaux, 1804-1809.

<sup>55</sup> Letter of April 25, 1805. *Ibid.*

American vessels from their ports, who never saw America, and whose papers were manufactured in London."<sup>56</sup> Among the most valuable of the consular reports at Washington in this field are those of Mr. Harris from St. Petersburg, supplemented after 1809 by the diplomatic correspondence of John Quincy Adams, for they deal not only with Russian conditions but with the Baltic trade as well.

These few examples from the Consular Letters will serve to indicate the value of the evidence. Practically all the important phases of the history of commerce of the time: the policy of the belligerents; the position of neutral trade; the sequestration of American ships and cargoes; the frauds of the neutral flag, particularly the enormous trade under the Stars and Stripes, so large a part of which was manifestly fraudulent; these and other interesting topics all find graphic description in the accounts of actual cases arising in the jurisdiction of the different consuls. In other words, it is evidence on the operation of the commercial legislation of the period, as well as on the trade itself, that we have here.

To family and private papers relating to the commercial history of this period, I can refer only in passing. That they constitute a source which the economic historian can ill afford to neglect is evident. The best body of material of this kind at present accessible is the large collection of mercantile records of the firm of Ellis and Allen, etc., of Richmond, Virginia. Along with these should be mentioned for this period the Taylor and the Sylvanus Bourne papers.<sup>57</sup> By way of illustration of their character and value, I quote below (pp. 280-281) from the papers of America's great merchant prince of those years, Mr. Stephen Girard of Philadelphia.

With this we can leave our review of existing works and sources on the commercial history of the Napoleonic era and proceed to a consideration of those phases of the subject which have not yet been satisfactorily treated but for which abundant material exists. Of these the first in point of time is the inception and development of Napoleon's coast system. For long before the Berlin Decree, which is often erroneously regarded as marking the inception of the Continental System, a policy of coast closure—a coast system—had been developed with remarkable energy and forethought by Napoleon. As evidence of this we have the emperor's treaties with the maritime states, his instructions to his generals and diplomats, and more especially, records of the actual movement of commerce. That this

<sup>56</sup> Letter of November 1, 1808. *Ibid.* Cf. also *American State Papers, Foreign Relations*, III. 341, *et passim*.

<sup>57</sup> Division of Manuscripts, Library of Congress. Here also is found the interesting log book of the merchant ship *Lexington* for 1807-1808, and the papers of the United States Custom-House of Savannah, Georgia.

coast closure, to which Professor Rose first gave the name, has received little or no attention from students is only less surprising than the fact that the corresponding British policy, begun somewhat earlier, and also developed through treaties, remains as to its inception and origin, likewise quite obscure. On the French side M. Schmidt of the Archives Nationales has announced a volume on the subject. By way of a beginning we need a thorough investigation of the treaties, correspondence, instructions, and bulletins, to be followed by an investigation of the material in the local archives and a study of the trade returns so far as they exist.

On the origin of the British policy a number of studies exist for the earlier period, but we need a study starting with the rule of 1756 and tracing the British Navigation Acts and policy through Pitt's last administration and the isolation treaties, if I may so call them, against France, to the Orders in Council. We must know more of the men and more of the interests behind the men who shaped the policy. In the years of the Orders in Council, Brougham, Stephens, Perceval, Rose, and above all Bathurst were leaders, and they and their particular relation to the commercial interests need study.

Upon the actual operation of the gigantic system of economic warfare established by the belligerents, good work has been done for certain regions. This is particularly true of the Germans, whose *études regionales*, as the French call them, have the merit of being based upon a careful use of the regional records coupled in a few cases with a limited use of the French archives.<sup>58</sup> The field is large

<sup>58</sup> As an illustration of work along this line the excellent study by Ch. Schmidt, *Le Grand-Duché de Berg, 1806-1813: Étude sur la Domination Française en Allemagne sous Napoléon Ier* (Paris, 1905), deserves special mention. A work of equal scholarship, though not showing the same grasp of the subject, is by Albin König, *Die Sächsische Baumwollenindustrie am Ende des vorigen Jahrhunderts und während der Kontinentalsperre* (Leipzig, 1899). Differing somewhat as to its conclusions from the work by Darmstädter, mentioned below, is Anton Schmitter's *Die Wirkungen der Kontinentalsperre auf Frankfurt am Main* (Frankfort-on-the-Main, 1910). Cérenville's *Le Système Continental et la Suisse, 1803-1813* (Lausanne, 1906) is a work in which the author seeks to bring together the results of the more detailed studies by different writers on particular cantons. As a corrective of M. de Cérenville's hostile attitude toward Napoleon, we have "Napoléon et les Cantons Suisses", by Dunan, *Revue des Études Napoléoniennes* (September, 1912). Besides these, there are a dozen or so of minor works and a score of articles dealing with local phases of the commercial history of Germany during the Napoleonic period. Among the former the histories of the different chambers of commerce, as for example Darmstädter's monumental *Geschichte der Handelskammer zu Frankfurt a. M.* (1908), are often of much merit and value. Less learned but very suggestive is the work by Richard Zeys on the creation of the various chambers of commerce and industry in the region of the Lower Rhine during French occupation. His chapter on "L'Influence douanier Française" is an excellent illustration of the opportunities in this field.



and important. Indeed as there was scarcely a country that did not at one time or another during the great commercial struggle have its usual economic life rudely forced into new and unnatural channels, so there is scarcely a region where local studies will not well repay the effort.

There is need of a study of the relationship of Napoleon's system to the subsidiary states on the one hand and to the allied states on the other; of the way in which the latter were made tributary to the interests of France by carefully planned tariffs and other regulations; of a study of the effect of Napoleon's system upon the industrial development of the different areas in central Europe, for, as has been pointed out, the effects differed greatly in different areas.<sup>59</sup> For example, we find the industries of Belgium and the left bank of the Rhine as far as Alsace progressing by leaps and bounds while those of Westphalia, of Saxony, etc., decline and languish.<sup>60</sup> The economic unity of the Rhine valley was first interrupted by the application of the French tariff system to the left bank of the river in July, 1798, and then completely destroyed by the high protective tariff of Napoleon in April of 1806, which interrupted legal intercourse between the east and west banks of the river as effectively as if this great natural highway had been a mountain chain. There is need of special studies of the new channels into which commerce was forced for the time when the old ones were dammed up, and of the results thus produced upon different regions, especially upon the great trade centres like Leipzig and Frankfurt. With these as a starting-point, there should be a study of the more permanent effects upon the commercial and industrial development. We need, to specify further, a good dissertation on the Baltic trade from 1807 to 1812, when the defection of Russia from the French alliance led to the invasion of Russia and

<sup>59</sup> The efforts of Napoleon to secure the markets of the Continent for French industry receive especial attention in Darmstädter's "Studien zur Napoleonischen Wirtschaftsgeschichte", the case of Italy being developed with considerable care. The subject comes up for discussion constantly before the Conseil du Commerce, etc., the session of June 11, 1810, affording an interesting illustration. The minutes record the following, "Question de S.M. avant la tenue de ce conseil", "Quelles sont les entraves que nos manufactures éprouvent en Italie, en Espagne, dans le nord et en Allemagne? Que faut-il faire pour lever ces entraves et pour favoriser le débit des marchandises fabriquées en France?" Archives Nationales, F12. 2033.

<sup>60</sup> Mahaim's article, *Les Débuts de l'Établissement John Cockerill à Seraing*, (1905), affords an interesting example of the creation of separate industries in the Netherlands at this time. On January 7, 1811, the minutes of the Council speak of a report on a "Demande de fabriquer de Fusils par la Westphalie". Archives Nationales, series AF IV. 1242.

the disastrous retreat from Moscow.<sup>61</sup> For the influence of grain, hemp, herrings, sugar, cotton, gingham, and muslins upon the events that brought on this great military tragedy is as yet only guessed. For similar reasons, a study of the grain supply for the period would, I am convinced, reveal conditions and forces quite unknown at present. The extent to which Napoleon had the interests of the agriculturist at heart is well known and it is not at all surprising that the appeal of the farmers of Brittany brought about a serious modification of his great system.<sup>62</sup>

The extent to which English wares and colonial products found their way to the marts of Europe despite Napoleon's restrictions, the actual increase in cost, if any, to the consumer, and the soundness of the claim that the discontent thus caused by the Continental System underlay the popular uprising against Napoleon require special study. Of the effect of the system in France, Levasseur<sup>63</sup> and others have given us a fair appreciation.<sup>64</sup> It is a matter of interest, however, to the prospective student of the subject, that the whole mass of manuscript material from the departments and even the records of the chambers of commerce, most of which are to be found in Paris, have not been utilized, save here and there, so that even in its relation to French industry and commerce the field presents comparatively virgin soil.<sup>65</sup>

But perhaps the most surprising thing of all in the study of this field is the neglect of the systematic modifications or ameliorations of the decrees and orders of the belligerents through administrative measures. No study of either the English or the French license system on scientific lines has been published notwithstanding the positive character of the sources in the archives of Paris and London, particularly in the former.<sup>66</sup> That contemporaries recognized its full

<sup>61</sup> I am aware of the merit of Vandal's *Napoléon et Alexandre I.* and of the little work by Voienski in 1911 on *Les Causes de la Guerre de 1812*. But the former makes the economic question entirely secondary, and with the conclusions of the latter, I cannot agree.

<sup>62</sup> Cf. note 33 above.

<sup>63</sup> Levasseur, *Histoire des Classes Ouvrières et de l'Industrie en France de 1789 à 1870* (2 vols., new ed., Paris, 1903) and *Histoire du Commerce de la France*, vol. II. (Paris, 1912).

<sup>64</sup> The editors of the *Revue des Études Napoléoniennes* announce a bibliographical bulletin by Ch. Schmidt on this phase of the work in the near future.

<sup>65</sup> The sixth volume of Lanzac de Laborie's work on *Paris sous Napoléon* gives us under the title of *Le Monde des Affaires et du Travail* (Paris, 1910) a study of industry, commerce, and finance. He makes good use of Mollien's reports but slights the others, which are not only of exceptional value but are absolutely essential for an adequate study of the effect of Napoleon's system on France.

<sup>66</sup> Dr. Melvin has in hand as a companion study to his dissertation on "Napoleon's Navigation Policy", a presentation of the British scheme of attack on the Continental System.

significance is evident from the extent to which the subject figured in Parliament, the Privy Council, the Board of Trade, the admiralty courts, the Council of State, the Conseil du Commerce, and newspapers and pamphlets of the time.<sup>67</sup> After 1809 the maritime trade of the world had to be conducted under licenses, developed into a regular system by the two powerful belligerents. "It is a notorious fact", said the judge of the High Court of Admiralty in 1810, "that we are carrying on the trade of the whole world under simulated and disguised papers."<sup>68</sup> Admiral Sir James Saumarez, commanding the Baltic fleet, writes that his principal duty lay in the protection of the license trade. In view of this, and of the additional fact that Napoleon, as we have seen, developed a parallel system, is it not surprising that no effort at a history of the license trade has been made?

Closely associated with the trade by license, which pertains of course to commerce by sea, are the more or less thoroughly developed methods of evasion both by sea and land. Of all the chapters in the commercial history of this period, one of the most dramatic is that of the smuggling trade. Not only persons of high rank and position, but governments themselves engaged in this trade which brought with it such exceptionally high returns. Thus as an ally of Napoleon, Prussia was supposedly enforcing the Continental blockade against English goods, but that did not prevent her government from smuggling on a gigantic scale and with enormous profits.<sup>69</sup> Even if the account books of Hardenberg had not escaped the carefully planned scheme to destroy all records of the transactions, there is evidence enough, in reports to Napoleon and in the results of the investigation connected with the arrest of different agents, to prove conclusively that the Prussian government not only engaged extensively on its own account in the smuggling trade, but systematically furnished Prussian certificates of origin for the smuggled goods.

How British goods were brought into the Continent is too little known. Regular trade areas developed, with local or strategic points where all commerce of the region converged. For the North Sea, Heligoland was seized as an emporium for British goods; for the

<sup>67</sup> Cf. the remarkable work of 100 pages by Joseph Phillimore, *Reflections on the Nature and Extent of the License Trade* (London, 1811).

<sup>68</sup> Phillimore, p. 32, note; in the case of the *Eolus*, Aspater, the court giving judgment, August 8, 1810, said, "These disguises we ourselves are under the necessity of employing, with simulation and dissimulation". Phillimore, p. 33, note.

<sup>69</sup> Hoeniger, *Die Kontinentalsperre und ihre Einwirkungen auf Deutschland* (Berlin, 1905). Also Corr. Pol. Hamburg, vol. 121, fols. 413 ff., Ministère des Affaires Étrangères.

Baltic, Lübeck, Elbing, and Rügen; for the Mediterranean, Sicily and Malta served.<sup>70</sup> From these strategic points trade was projected into the enemy's country at opportune times and at unguarded spots, to be thence transported by the safest routes to the trade centres of the interior. If a particular route became dangerous, others had to be sought, and special agents, commercial scouts as it were, were constantly on the lookout for new possibilities. The report of one of these among the letters of the Board of Trade may not be without interest. It is by J. M. Johnson, writing from Palermo in August, 1812, at a time, it should be noted, when the Napoleonic system had about reached its breaking point, and reads in part:

In the last five years British trade and the trade in British wares and colonial products has been successively driven from Holland, from the Illyrian coast, and from the shores of the North and the Baltic Seas, the British merchant has been obliged to look out for some new channel by which his goods may be conveyed into the interior of the continent without being subject to the rapacity of the French commissioners or to the despotic influence of the so-called Continental System.<sup>71</sup>

Turkey alone remained open, Salonica and Scutari therefore deserving special attention.

They are [says Mr. Johnson] already frequented by merchants from the principal commercial towns in Germany and Switzerland, merchant vessels arrive at the former port in considerable numbers from Malta and from England direct. Six thousand horses are employed for conveying goods from thence to Bosnia and Sarai, and the trade is carried on in every respect with that activity and vigor which the circumstances of the time have imparted to commercial undertakings.

Austria, he points out, was the distributing centre for the goods from Turkey, and the government, especially the Emperor Francis, in spite of considerable timidity, encouraged it. There was, however, considerable risk connected with all the ventures *via* Austria because Austria was as much in Napoleon's power as Prussia was

<sup>70</sup> On Heligoland see Laughton, *The Naval Miscellany*, I. 375-379 (Navy Records Society, London, 1902). As evidence of the material for the history of one of these focal points, we have eleven volumes of correspondence and official records in regard to the activities at Heligoland during the period from its seizure in 1809 to 1817. Mr. Nicholas, writing on the seizure of the island, incidentally reveals British methods of trade. He says, June 14, 1808, "There is not a doubt, but British capital and industry added to the continental want of raw articles will enable the British manufacturer to maintain his superiority, the difficulty is therefore to furnish them a safe depot near the continent with a coast easy of access, surrounded by large rivers to which the voyage may be made in a tide. The continental manufacturer would then be obliged to turn the smuggler of the British, as they are in Austria and Brabant." C. O. Heligoland, vol. I., P. R. O.

<sup>71</sup> B.T., 1/70, U<sub>2</sub> 9, P. R. O.

in 1810 when the confiscation of vast quantities of British property in her ports occurred. It would be safer, therefore, to make Hungary the place of deposit. There the emperor could not proceed against British trade without the consent of the estates, and the British could establish warehouses safely at a distance of twenty miles from Vienna just inside of the Hungarian line. The Austrian government would connive at the illicit importations so long as Napoleon did not coerce her, and Vienna would continue the centre from which the greater part of Europe would be supplied. Goods *via* Turkey, Slavonia, and Hungary yielded a good profit in spite of transit charges. On the prices current at Vienna, which Mr. Johnson quotes, coffee and sugar yielded thirty-five to fifty per cent.; indigo, cochineal, bark, medicines in general, from one hundred to one hundred and thirty per cent.<sup>72</sup>

Other routes lying right in the enemies' country existed and are fully described by British and French agents in reports to their respective governments. The first leg of the voyage overland in the Elbe country is graphically pictured in a letter to the French Foreign Office written by Bourrienne.<sup>73</sup>

The Danes openly favor British trade and pay no attention to your Majesty's Decrees on the blockade of the British Isles. . . . The accumulation at Altona of so vast a quantity of goods, the difference in price, the proximity of the two cities, their population and the wretched condition into which the lack of employment and the stagnation of trade have cast the working men of Hamburg are so greatly in favor of the new kind of traffic [smuggling] that the dispositions of the customs are no longer sufficient to overcome it. . . . Hamburg is 200 toises from Altona. It has a population of 125,000; Altona nearly 30,000, and the closest intercourse exists between them. On Sundays it is estimated that 30,000 go and come through the gates. There is a difference of 12 sols (French) in the price of coffee per pound. The *colporteurs* are paid 4 sous a trip which is good pay, and many leave their shops and regular occupation to do it, not being themselves subject to confiscation.<sup>74</sup> It is easy for them to pass back and forth ten times a day.

The Director of the Customs assured him (Bourrienne) that 10,000 persons were engaged in the business of *colporteur*. Crowds assembled out of curiosity, and it was almost impossible to get through the gates. The customs officials, police, and the Senate had tried to stop the trade by arresting the carriers, but "60 pass while one or two are arrested".

<sup>72</sup> He also speaks of the fact that in the trade *via* Turkey the British were in the habit of selling to the Continental merchant, who then assumed the risks of transport.

<sup>73</sup> Letter of October 3, 1809. Corr. Pol. Hamburg, vol. 120, fols. 284-286, Ministère des Affaires Étrangères.

<sup>74</sup> A reference to the fact that the customs officials confiscated wagons, oxen, or horses of those caught in this trade.

When the measures to stop the traffic finally became sufficiently effective trade simply moved to the Baltic. The same agent reports: "Commerce is not easily discouraged. If one channel is closed to it, it seeks another. The more rare certain goods become, the dearer they become and the greater the profit to bring them in . . . . Ships excluded from the Weser and the Elbe double the cape, pass the Sound and come up the Treve."<sup>75</sup> From Mr. Harris, the American consul at St. Petersburg, we hear in 1810: "Almost all the north and a greater part of the south of Europe are still likely to receive their supplies from the shores of the Baltic".<sup>76</sup>

Switzerland, particularly Geneva, became at an early date a distributing centre for English and colonial wares. A decree of the Directory of December 7, 1797, rebukes the city for constantly affording an entrepôt for English merchandise, furthering its importation even into France.<sup>77</sup> The lake afforded excellent opportunities for smuggling, so gunboats or rather revenue cutters were installed, and under the empire the customs department appointed a secret police to spy upon its own agents. Many commission houses, says Chapuisat, were engaged in the business of transporting and delivering goods. They had business relations with all parts of Europe, especially with Frankfort, Leipzig, Paris, Lyons, Marseilles, the kingdom of Italy, etc.<sup>78</sup>

Opposed to the various systems of evasions were, of course, the enforcement measures, administrative or judicial, adopted by the belligerents. On the French side, we have the regulations of the police, and of the customs, the decisions and rulings of the prize courts, and, after June, 1810, the measures and proceedings of the Conseil du Commerce. On the British side, we have the advance agents and commission or banking houses, the provisions for convoy and the many schemes to break through the Continental closure at the different strategic points, together with the activity of the navy in seizing enemies and neutral commerce, and the work of the admiralty courts not only in adjudicating the cases but in interpreting the law.

For the student of the economic history of the United States, the subject is of vital interest and importance. The neutrals formed

<sup>75</sup> Letter of October 27, 1807. Corr. Pol. Hamburg, vol. 119, fol. 422, Ministère des Affaires Étrangères.

<sup>76</sup> Letters of Mr. Harris of September 13-25, 1810. Consular Letters, Russia, 1810-1830, State Department.

<sup>77</sup> On the contraband trade into France at a later date along the frontier of Geneva to Strassburg, see Report to the Minister of the Interior, Bern, June 2, 1811. Archives Nationales, F12. 535.

<sup>78</sup> Chapuisat, *Le Commerce et l'Industrie à Genève pendant la Domination Française, 1798-1813* (Geneva, 1908), pp. 203, 207, et *passim*.

an integral part of both the British and the Napoleonic systems, and the United States as the great neutral carrier of the period was most intimately associated therefore with the various aspects of the European conflict. Of the transfer of capital from commerce, made unprofitable by the acts of the belligerents or the measures of our own government, to infant industries, internal improvements, or frontier enterprises, all too little is known.<sup>79</sup> The stimulus given to American manufacturers by the scarcity and high cost of European wares, particularly British, is guessed but not satisfactorily understood.<sup>80</sup>

<sup>79</sup> The emphasis upon the diplomatic side of American history in Henry Adams's *History of the United States of America during the Administrations of Jefferson and Madison* (1889-1891) has often been pointed out. There is a great deal relating to commerce but it is incidental, as appears not only from the treatment itself but from the sources upon which it is based. We have for example a thorough exploitation of the French official correspondence, and of the letters, memoirs, etc., of the foreign office, but no use is made of the material of those of the department of the interior, of customs, or of the Conseil du Commerce. And yet it is precisely here that the real basis of Napoleon's policy toward America is to be found. Similarly the Diplomatic Correspondence at Washington is used, but not the Consular Letters. In McMaster's *History of the People of the United States* (New York, 1885-1913), vols. II. and III., the approach is much more from the standpoint of the economic historian and we have a suggestive, clear-sighted study of the period. It is not, however, based upon archival but entirely on printed sources. Then there is the very able account by Channing, *The Jeffersonian System, 1801-1811* (New York and London, 1906), the division in the Critical Essay on Authorities entitled "International Relations" deserving especial notice here.

<sup>80</sup> There is evidence on all sides in the contemporary records on this important factor connected with the beginnings of American industrialism. A few typical ones may be cited. Thus the *Aurora* of July 1, 1811, has the following suggestive message from Livingston: "The quantity of fine wool that has been imported, in consequence of the present state of things in Europe, and the number of merinos, cannot fail very shortly to establish our manufactories. No less than 100 weavers have arrived at New York in one ship from Ireland . . . and all were directly engaged in our cotton manufactories. I do not doubt that you will, ere long, find an advantage in turning a part of your tobacco plantations into sheep walks and thus be freed from that dependence upon Europe which the culture of tobacco must necessarily create."

The arrival of the Irish weavers here noted is typical of the immigration from Great Britain during the years of the depression caused by the Napoleonic wars. The records of the Board of Trade, the newspapers, etc., are replete with suggestive references to the subject. Thus in a despatch of January, 1812, to the Committee on Trade relative to the progress of American manufactures, Mr. Foster speaks of the arrival in America of workmen from the western part of England (B.T., 5/22, Minutes, October 13, 1812). A letter from the principal officer of customs at Liverpool speaks of "the Departure of Sundry persons employed in the cotton manufacture of the kingdom for America", and a minute of the board refers to a "report of Customs on application of Lucas and Company respecting the attempt made by agents of glass works in America to seduce the working glassmen of the country to emigrate" (B.T., 5/22, May 3, 1813). Yet in spite of the paramount importance of the subject, there exists, so far as I am aware, no serious study of it.

We need an investigation of the actual movement of trade during this period; for in America, as in Europe, the artificial restrictions forced commerce out of the old channels into new ones; it did not stop it. Commerce continued, though prohibited by law. Native manufactures were few; they were insufficient to satisfy the need of the merchant, the farmer, and the planter. British goods continued to come in, while American raw stuffs continued—under difficulties it is true—to go out. As in Europe, a new and novel trade was developed. We know something of the interesting smuggling *via* Lake Champlain to the Canadian frontier. Less is known of the picturesque Ox and Horse Marine, so dramatically described in the Federalist papers, the flagrantly open way in which large consignments of goods found their way from New England southward and westward on huge “wagon ships” that never suffered shipwreck, and rarely seizure and confiscation. A monograph on the actual movements of trade, of its origin, transportation across the Atlantic, mode of entry, distribution, and ultimate sale would be well worth while. What were the methods employed to get the goods in in spite of the Embargo and the Non-Intercourse acts? What evidence have we on the use of the Swedish and other flags; of Deer Island, Eastport, Amelia Island, St. Mary’s River, Pensacola, or Halifax, as strategic centres for a wholesale smuggling trade, or as convenient points where goods of British manufacture might be left in order that they might be drawn into the current of the coastwise commerce of the nation? Did Halifax, St. Kitts, etc., in the practical operation of the British trade system, become the Heligoland or the Malta of America?

We know that the lieutenant governor in his proclamation of June 23, 1808, opened certain ports of Nova Scotia to neutral ships,<sup>81</sup> and then wrote to the Secretary of State in August, that the measure had “had all the effect that could be expected from it”<sup>82</sup> for, as he said in a speech to the provincial legislature “the project [embargo] has totally failed”, means having been found to circumvent it.<sup>83</sup> Along with this we have in the complaint of the Halifax merchants, that “unless some steps are taken to prevent the smuggling trade from the United States we shall soon be without a customer for the principal part of the articles we deal in”.<sup>84</sup>

<sup>81</sup> Public Records of Nova Scotia (at Halifax), vol. 192, Minutes in Council, p. 257. As a basis for this see the interesting acts of 47 Geo. III. c. 38, and 49 Geo. III. c. 49.

<sup>82</sup> *Ibid.*, vol. 58, Despatches of the Governor of Nova Scotia to the Secretary of State, letter 29.

<sup>83</sup> *Nova Scotia Gazette*, November 29, 1808.

<sup>84</sup> Public Records of Nova Scotia, vol. 62, Original Despatches of the Secretary of State to the Lieutenant-Governors, 1807–1810, no. 11.



Equally valuable is the light thrown on the history of the commerce of the period by private papers, many of which are now becoming accessible. The material on commerce bulks large in the voluminous papers of Philadelphia's merchant prince of a century ago. The voyages of his "philosophers", as he fondly called his ships, afford concrete illustration of the effect of European conditions on commerce. Thus in the year of peace after Amiens in 1803, as a result of an unfortunate experience with the *Rousseau* and a cargo of Virginia tobacco, which proved very difficult to sell because of the heavy duties imposed by Napoleon on tobacco imported in foreign bottoms, Stephen Girard made arrangements to carry on his profitable tobacco trade under the French flag. Two ships were to be transferred to this trade, but the renewal of the war prevented it. The incident is of significance as an illustration not only of Napoleon's use of the peace to secure trade for France, and build up a French merchant marine, but also of the well-founded fear among British commercial interests of losing the carrying trade.

Practically every phase of the French and English commercial systems is illustrated in some one or other of the vicissitudes of Mr. Girard's "philosophers"; there is room for only one more. It is the case of the *Good Friends*, captured by a Norwegian privateer and carried to Farsund where she was condemned on a long list of frivolous charges—one, upon which great stress was laid, being based on the mistranslation of an item in her papers which gave her fast ballast of "pig iron" as "iron pikes". Appeal was taken from the decision and the ship was finally released after a twelve months' detention, by unloading to furnish ocular proof against the charge of carrying "iron pikes". Six months after her return to Philadelphia, in January of 1811, she sailed for Lisbon with a cargo of flour to be exchanged for bills on London, to which port she was to proceed to take in "such goods", say the instructions, "as will be delivered you by Mr. William Adgate". Rather vague instructions, but not so surprising when it is recalled that the Non-Intercourse Act still made intercourse with Great Britain illegal. The "goods delivered" to the captain by Mr. Adgate consisted of British cottons and woollen goods purchased for the incredibly small sum of £60,000 because of the distress in the manufacturing districts of England. Having taken in her cargo the *Good Friends* sailed for Amelia Island, Florida, to await the repeal of the Non-Intercourse Act, Mr. Girard writing to his supercargo that the cargo was of so great a value that he was willing, if necessary, to pay one thousand dollars per month in *douceurs* (hush money) to the Spanish officials

at Amelia Island to avoid payment of duties and unloading, in order to have the ship ready to proceed to Philadelphia at a moment's notice. The timely seizure of East Florida in March, by General Mathews, brought the vessel under the flag of the United States, and she cleared for Philadelphia, where, after considerable difficulties with the customs officials her cargo, was sold at a large profit.

Most of the ventures during the later years of the Continental System did not, however, turn out so well, and the experience of the *Good Friends* with the Norwegian officials is sufficient illustration of the effect of the conditions that drove American capital into new lines. Even with so stubborn and successful a trader as Mr. Girard, these influences told, and while still keeping up a moderate interest in his "philosophers", he turned his surplus capital into Lehigh County coal lands and the Second Bank of the United States. That other private, as well as public, papers afford ample evidence of the transfer of idle capital to manufactures and industry, is a commonplace to the student of American history; nevertheless much of importance on the beginnings of this new era in American history is still to be brought out by the exploitation of private papers, diplomatic and consular correspondence, customs records, newspapers, and other sources.

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